



State of Connecticut

HOUSE OF REPRESENTATIVES STATE CAPITOL

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Labor and Public Employees Committee February 24, 2015

Testimony in support of **H.B. 5851 AN ACT CONCERNING UNEMPLOYMENT COMPENSATION REFORM.**

Senator Winfield, Representative Tercyak, Senator Hwang, Representative Rutigliano and the entire membership of the Labor and Public Employees Committee, thank you for allowing me to testify before you this evening in support of *H.B. 5851 AN ACT CONCERNING UNEMPLOYMENT COMPENSATION REFORM*. This bill aims to reform the unemployment compensation eligibility process and ultimately propel our economy forward.

Businesses across the state continue to pay off interest the State of Connecticut accrues to the Federal Government, as the result of having an outstanding balance to the Federal Unemployment Account. The state of Connecticut has owed the Federal Government money for several consecutive years. In addition to the accrual of interest, businesses are also paying a higher Federal tax for unemployment insurance. The reform advocated for in this bill would streamline the system resulting in accurate allocations of spending. For instance, the bill would call for a claimant's annual salary to be considered instead of the current practice of averaging the highest two quarters. Additionally, the bill would freeze the maximum weekly benefit payout per claim over the next three years.

The bill also seeks to decrease the overall unemployment rate by encompassing work readiness requirements in order to receive unemployment benefits. An example of these work readiness initiatives would require a claimant to post his or her resume on-line for a minimum of six months. This is mutually beneficial because a claimant's credentials are forced to be promoted in a public forum. Thereby creating a situation in which a claimant will be subjected to greater work opportunities at a faster rate. Consequently, the claimant will find gainful employment quicker and the state will no longer need to continue to pay the individual's claim.

If unemployment compensation reform can be enacted, our overall outstanding balance owed to the federal government will decrease. As a result of the reduction in the outstanding balance, local businesses will feel direct economic relief and grow. We all agree that growing business is key to moving our economy forward. In light of these reasons, I would ask that you and your colleagues support this bill.

Thank you for your consideration in this matter.

Sincerely,

Christie Carpino
State Representative, 31st District